

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PENNSYLVANIA**

FEDERAL TRADE COMMISSION,
Plaintiff,

v.

EMPIRE HOLDINGS GROUP LLC, also
d/b/a ECOMMERCE EMPIRE BUILDERS
and STOREFUNNELS.NET a limited
liability company; and PETER
PRUSINOWSKI, aka PETER PRU,
individually and as an officer of Empire
Holdings Group LLC;
Defendants.

Case No. 2:24-CV-4949-WB

Honorable Wendy Beetlestone

DECLARATION OF RYAN M. POTEET

I, Ryan M. Poteet, hereby declare,

1. I am above the age of eighteen and competent to make this declaration. This declaration is based on my personal knowledge and, if called to testify, I would competently testify thereto.

2. This declaration is offered in support of Defendants' Reply in Support of their Motion to Dismiss Business Opportunity Rule Claims.

3. I am a partner with the law firm of Gordon Rees Scully Mansukhani, LLP, counsel of record for Defendant Empire Holdings Group LLC d/b/a E-Commerce Empire Builders and Storefunnels.net and Defendant Peter Prusinowski.

4. Attached as Exhibit A is a true and accurate copy of an excerpt from the transcript for the September 20, 2024 Temporary Restraining Order Hearing.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my information, knowledge, and belief.

Executed this 23rd day of October, 2024.

/s/ Ryan M. Poteet
Ryan M. Poteet

EXHIBIT A

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IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FEDERAL TRADE COMMISSION, : CIVIL CASE NUMBER
PLAINTIFF :
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VERSUS : 24-CV-4949
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EMPIRE HOLDINGS GROUP, LLC, :
ET AL, :
DEFENDANTS :

SEPTEMBER 20, 2024
COURTROOM 10B
PHILADELPHIA, PA 19106

BEFORE THE HONORABLE WENDY BEETLESTONE, J.

TEMPORARY RESTRAINING ORDER HEARING

APPEARANCES:

RYAN ADAM MCAULIFFE, ESQUIRE
AMANDA GRIER, ESQUIRE
FEDERAL TRADE COMMISSION
DIVISION OF MARKETING PRACTICES
600 PENNSYLVANIA AVE, NW
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COUNSEL FOR THE PLAINTIFF

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PROCEEDINGS RECORDED BY STENOGRAPHY-COMPUTER,
TRANSCRIPT PRODUCED BY COMPUTER-AIDED TRANSCRIPTION

1 CONTINUED APPEARANCES:

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11 COUNSEL FOR THE DEFENDANT

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1 NOW, WHEN IT COMES TO THE
2 STOREFUNNELS.NET, THE SOFTWARE PROGRAM THAT IS BEING
3 USED, IT'S CONNECTED TO THE ECOMMERCE STORES SO THAT
4 THEY CAN ACTUALLY HAVE TRANSACTIONS WITH THE BUSINESS.

5 SO THERE IS NOTHING IN THE ORDER THAT
6 WOULD PREVENT THAT FROM HAPPENING AND FROM THE
7 BUSINESSES TO CONTINUE UNDER THE ORDER. SO THERE IS
8 NOTHING THERE THAT WOULD SAY THAT THEY HAVE TO HALT THE
9 CONSUMERS. THE CLIENT STORES ARE INDEPENDENTLY SEPARATE
10 FROM THE SYSTEM, MEANING THAT THEY ARE UNDER THE LOGINS
11 AND NAMES OF THE INDIVIDUALS WHO SET UP THE STORES. SO
12 THAT WOULD NOT HARM THEIR STORES EITHER.

13 SO OUR POSITION IS THAT A RECEIVERSHIP IS
14 EXTREMELY IMPORTANT TO HALTING THE CONTINUED FRAUD, BUT
15 ALSO TO ENSURE THAT THE CONSUMERS ARE NOT VICTIMIZED
16 FURTHER BY THE DEFENDANT.

17 THE COURT: OKAY. LET'S HEAR FROM
18 DEFENSE ON THAT.

19 MR. FREELAND: THANK YOU, YOUR HONOR.

20 IT'S THE POINT THAT MS. GRIER ADMITTED,
21 WHICH IS SHE CANNOT SPEAK FOR WHAT THE RECEIVER IS GOING
22 TO DO. THERE IS NO EVIDENCE THAT ANY OF THESE 250 ARE
23 DISPLEASED, ARE UNSATISFIED, AND THAT THE SOFTWARE IS
24 NOT WORKING FOR THEM AND THAT THE ONGOING CONSULTING
25 SERVICES THAT THEY ARE RECEIVING FROM THE DEFENDANTS,